

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE

REFER TO FILE: AV-0

A1852

March 8, 2006

TO: Each Supervisor

FROM: Donald L. Wolfe

Director of Public Works

ACTION PLAN FOR ATTRACTING AND RETAINING AVIATION BUSINESSES AT BRACKETT FIELD BOARD MOTION OF FEBRUARY 7, 2006, AGENDA ITEM 52-A

As directed by your Board, our Aviation Division staff has been working with the executive management of American Airports Corporation (AAC) to develop an action plan to attract and retain aviation-oriented businesses at Brackett Field in La Verne. As a result of these discussions, we have expanded our scope to include the preparation of action plans for the other County-owned airports as well.

Background

Over the past decade, aviation activities at regional general aviation airports have been in a decline. A shrinking number of recreational pilots and the higher costs associated with flying have reduced commercial opportunities at the airports. Many of the aviation businesses at these airports have experienced decreases in business. As a result, some have been forced to reduce their scope of services, others have consolidated their operations, some have relocated to other airports, and some have ceased operations completely. At several of our airports, non-aviation tenants have been allowed to fill available facilities. Concerns have been raised by tenants during Aviation Commission meetings regarding these non-aviation uses of some of the facilities on the airports.

Our Aviation Division staff have met with AAC staff to develop an action plan to attract and retain aviation-oriented businesses at the five County-owned airports. As a result of these meetings and discussions with other stakeholders on our airports, AAC has agreed to a number of initiatives which are designed to better communicate our management objectives of attracting and retaining aviation businesses on the airports.

Each Supervisor March 8, 2006 Page 2

The intent of the following action items is to focus efforts to bolster activities at Brackett Field and the other four airports. They will serve as a basis for involving stakeholders in the process of attracting new business and, most importantly, retaining current businesses.

Action Items

- 1. Quarterly meetings with stakeholders. AAC's executive management, executive members of the various airport pilot associations, airport business tenants, Aviation Division staff, Los Angeles County Aviation Commissioners, and other stakeholders will participate in these meetings. The primary focus of the quarterly meetings will be to address current issues facing airport management, tenants, and aviation businesses. Topics to be discussed are rates and fees, contract management operations, proposed airport development, and aviation versus non-aviation uses. These meetings will provide the users with a forum to discuss issues and ideas for improvement of the management of airport facilities. We expect that improved communication within the airport community will increase the effectiveness of airport management and improve the public's understanding of airport issues. The first of these meetings will be arranged during March and April 2006.
- 2. **Marketing and advertising plan.** AAC will develop a marketing plan that addresses the basic services needed at Brackett Airport and common to our other airports. As part of its research, AAC will solicit information from organizations that maintain listings of prospective flight schools and other aircraft support businesses. We anticipate plan completion by June 2006.
- 3. **Non-aviation uses.** AAC and Public Works staff, in consultation with the Aviation Commission, will develop a written policy regarding interim occupancy of airport facilities for non-aviation uses. In particular, the policy will provide definitive and viable measures that will encourage aviation uses of airport facilities. We project completion in July 2006.
- 4. **Quarterly occupancy reports.** AAC will prepare a fact sheet that will outline occupancy rates at each of the County-owned airports. It will assist airport users in understanding the trends in hangar vacancies and the airports' competitiveness with other Southern California airports.

- 5. Appraisal of hangar rental rates. We will prepare a market study and appraisal of aircraft storage and commercial hangar rental rates based on comparable facilities located at airports in the greater Los Angeles region. We will focus on Brackett Field first and then continue with the other four airports. We anticipate completion of the Brackett study in May 2006 and completion of the study for the other airports in June 2006.
- 6. **Lease negotiations.** Upon initial contact with prospective lessees, AAC will provide Aviation Division with all relevant information regarding the prospective lessee including name of lessee, type of operation, the airport facility of interest, proposed rent and lease term. This will provide the opportunity for Aviation Division to convey to AAC the County's needs before negotiations begin. AAC will provide Aviation Division staff with monthly reports on the status of all lease and agreement negotiations. In all leasing activities, AAC and Aviation Division staff will explore incentives and rent structures that can benefit the lessee, the County, and AAC.
- 7. **Third party tenants.** AAC will contact the master leaseholders of aircraft tiedown, and hangar developments on the airports to obtain the addresses of their tenants. These addresses will be incorporated into AAC's tenant lists, which will allow direct mail contact with the majority of airport users for informational and customer survey purposes.

Summary

Public Works and AAC are committed to resolve concerns voiced by the tenants of Brackett Field and the four other County airports. We are confident that a proactive and responsive approach toward communication with tenants and being responsive to their needs and concerns will serve to address many of the issues being raised by the tenants and the local media. We view this action plan as a catalyst to improve service to the tenants and business owners at our airports and improve relationships among AAC, the County, customers, and the aviation community.

RLS:hz

AV-0/P:\avpub\ADMIN\R Smith\A-Memos\A1852 BOARD MOTION ACTION PLAN

cc: Chief Administrative Office Executive Office